

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** 06/11/2012

**POSITION:** Neutral

**SPONSOR:** California State Association of Counties

**BILL NUMBER:** SB 1319

**AUTHOR:** Liu, Carol

### **BILL SUMMARY:** Child welfare.

This bill would make a variety of changes related to the administration and provision of services for at-risk children and foster youth. Specifically, this bill would: (1) delete the statutory sunset for crisis nurseries to allow them to operate as a temporary placement option for at risk youth under the age of six; (2) delete the requirement that foster family homes (FFHs) be subjected to civil penalties for certain violations, as specified; (3) delete the statutory sunset for licensed community treatment facilities serving seriously emotionally disturbed (SED) children to have nursing staff on-call rather than onsite if the facility meets specified conditions; (4) extend the provisional rate setting methodology for SED children placed in a group home until the Department of Mental Health establishes a permanent rate methodology; and (5) allow the Department of Social Services (DSS) to extend a waiver of regulations to counties in increments of three years to continue to participate in performance agreements with DSS to provide foster youth with alternatives to group home care through the expansion of family-based services programs.

### **FISCAL SUMMARY**

DSS indicates this bill would result in minor costs to update regulations. These costs could be absorbed within existing resources.

The exemption for foster family homes from being assessed civil penalties for violating specified licensing regulations would result in a loss of revenue to DSS. However, the loss of revenue is estimated to be minimal and would likely be offset by savings from not having to collect those civil penalties.

### **COMMENTS**

The Department of Finance is neutral given that this bill would not result in any additional cost to the state, would allow for the continuation of current practice, and would clean up inconsistencies in current statute.

Current law establishes the definition and licensing requirements of crisis nurseries. Crisis nurseries provide care to children under the age of six who are voluntarily placed by their parent or guardian under temporary care. Prior to this distinction, crisis nurseries were required to be licensed as group homes and were subject to the same regulations. This bill would extend the sunset date to allow crisis nurseries to continue to be licensed as such and not be subject to the same licensing requirements as group homes.

Current law exempts small family homes and certified foster family homes from civil penalties for various licensing violations in order to not create a disincentive for families to provide care. However, foster family homes were inadvertently not granted the same exception. This bill would extend the same exemption from civil penalties to foster family homes that applies to certified foster family homes and small family homes.

Analyst/Principal (0512) T.Calvert	Date	Program Budget Manager Ken DaRosa	Date
Department Deputy Director		Date	
Governor's Office:	By:	Date:	Position Approved _____ Position Disapproved _____
BILL ANALYSIS			Form DF-43 (Rev 03/95 Buff)

## AUTHOR

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Liu, Carol

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**COMMENTS** (continued)

Current law establishes an interim rate methodology for SED children being served by a group home. This bill would continue this methodology until a permanent rate setting methodology can be established for SED group home placements. Current law also prescribes certain standards for nursing staff at community treatment facilities that admit children who do not require medical services but require 24-hour nursing care. These provisions are scheduled to sunset January 1, 2014. This bill would repeal the sunset date.

Current law allows DSS to provide waivers of foster care payments or the operation of group homes to enable counties to enter into agreements with local non-profit child and family services agencies to provide alternatives to group home care. Waivers were authorized to be in effect for three years and have been extended since that time; however, these waivers are scheduled to expire again shortly. This bill would allow DSS to extend the waiver in increments of three years, as long as the county submits a report and independent evaluation of the performance agreement, and provides adequate justification for the waiver and demonstrates its ability to continue to comply with the performance agreement.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)					
	LA	(Dollars in Thousands)					
	CO	PROP					Fund
	RV	98	FC	2012-2013 FC	2013-2014 FC	2014-2015	Code
1643/PenAssessm	RV	No		----- See Fiscal Summary -----			0270
5180/Social Svcs	SO	No		----- See Fiscal Summary -----			0001
<u>Fund Code</u>	<u>Title</u>						
0001	General Fund						
0270	Technical Assistance Fund						